

## PRESS RELEASE

### The largest Hungarian OPEL-dealership is the new addition to the AutoWallis Group

**Budapest, March 27, 2020 – The Board of Directors of AutoWallis Plc. has decided about a major acquisition as part of its strategy announced last year, so the corporation shall be the new owner of Wallis Kerepesi Kft., the operator of the largest OPEL and third largest KIA dealership, as well as of K85 Kft., the owner of the site of its operation. The acquisition of Wallis Kerepesi, which realized a turnover of HUF 8.7 billion in 2019, may increase the revenue of the stock exchange automotive company by more than 10% this year.**



Following several months of planning, the Board of Directors of AutoWallis has decided about the acquisition of Wallis Kerepesi Kft., a distributor of OPEL and KIA vehicles, as well as of K85 Kft., the company providing the site of its operation, following the signing of a written letter of intent by the owners, about the contribution in kind of the two businesses. In accordance with the resolution, AutoWallis shall pay the purchase price of HUF 1.02 billion, determined via an independent appraisal report, exclusively by its own shares. Based on the earlier authorization of the corporation's shareholders, the rate per share of the 13,511,723 shares to be newly issued is the average

stock exchange rate of the previous 30 days, that is, HUF 75.49. For the conclusion of the transaction, several additional steps are needed, including the preparation of the prospectus for the issuance of new shares. The companies to be contributed are presently owned by Wallis Asset Management Zrt. in 60%, and by TT Automobil Kft. – which is owned by the members of the Wallis Kerepesi management – in 40%. Following the transaction, the members of management of Wallis Kerepesi shall become AutoWallis shareholders (1.9%), so they will continue to hold an interest in the growth of the group, carrying on with their work as part of the corporation. The main owner of AutoWallis, Wallis Asset Management, shall have its share changed from 72.47% to 71.78%. Regarding the acquisition of Wallis Kerepesi, Gábor Ormosy, the CEO of AutoWallis pointed out that it fit neatly in the corporation's five-year strategy announced last year, in which they had calculated with a doubling of the HUF 65.5 billion revenue of 2018 by 2024. The joining of the management of Wallis Kerepesi further strengthens the professional background of the AutoWallis Group, which has contributed to making the corporation a major mobility service provider of the Central and Eastern European region.

Wallis Kerepesi has been a distributor and service provider of OPEL vehicles since 1990 and the KIA brand since 2015. Based on the data of the past 5-10 years, it is one of the most successful dealerships in the Hungarian market: for OPEL vehicles, in 2019 it was the largest actor in the Hungarian market with 903 new cars sold and a 6-7% market share, while it was the third most significant actor for KIA vehicles, with 762 new cars sold and a market share of 10-12%. Wallis Kerepesi, with its average 65 employees, sold 541 used cars as well in 2019, while also providing authorized repair service for the OPEL, KIA, and ISUZU brands, as an independent workshop. Between 2016 and 2018, Wallis Kerepesi achieved a revenue of 6-8 billion HUF, while in 2019, based on preliminary data, its revenue was HUF 8.7 billion. The increasing turnover was accompanied by a growing profit: by 2019, the corporation's earnings before taxes increased by

162% to HUF 156.4 million, its EBITDA by 110% to HUF 184.7 million, compared to 2018 (preliminary data based on the Hungarian Act on Accounting). The acquisition includes the nearly 7000 square meters site of Wallis Kerepesi, as well as the nearly 3000 square meters real estate located there (K85 Kft.), which is one of Budapest's most classy, well-known and established vehicle sales points. Besides the salon itself, there is also a 13-stall workshop with 1 test lane, as well as a body shop with 6 bodywork and 4 painting stalls, and 1 painting cabin.

#### **AutoWallis Plc.**

AutoWallis Plc., a company listed in the Premium category of the Budapest Stock Exchange, as well as in the BUX and BUMIX indices, aims to become a major mobility service provider in the Central and Eastern European region by 2029. By 2024, the company is planning to double its 2018 consolidated revenue of HUF 65.5 billion calculated on the basis of IFRS (International Financial Reporting Standard) standards, which it hopes to achieve primarily via its organic growth. In addition, the company intends to operate as an asset management company that represents a traditional, conservative business policy through the continuous, acquisition-based expansion of its portfolio focusing on automotive investments. The AutoWallis Group is present in 14 countries of the Central and Eastern European region (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Kosovo, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, Slovenia), where it is engaged in the retail and wholesale of vehicles, parts, and accessories, in repair and maintenance services, as well as in short- and long-term vehicle rentals. The group includes Wallis Automotive Europe, Wallis Motor Pest, Wallis Motor Duna and Wallis Autókölcshöz. The vehicles represented by the group include BMW cars and motorbikes, Saab spare vehicle parts, as well as the following brands: MINI, Isuzu, Jaguar, Land Rover, Maserati, SsangYong, and Sixt rent-a-car. Out of these, BMW holds a dominant position in the premium car market, while Sixt is a leader in the car rental market. [www.autowallis.hu](http://www.autowallis.hu)

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#### **Further information:**

Dániel R. Kovács, Financial Communications

Mobile: +36-20-771-8710

E-mail: [r.kovacs@fincomm.hu](mailto:r.kovacs@fincomm.hu)